Commission. When people come to the department unskilled, with no adequate training to find a job in society, unemployment insurance expenditures increase. So where is the saving, Mr. Speaker? You are taking money from one department and

giving it to another.

To say that you are exercising restraint by cutting back on adult occupational training is hypocrisy because you are increasing the expenditures of the Unemployment Insurance Commission. Since Canada today spends \$970 million more on unemployment insurance than it does on national defence, I suggest Canadians ought to tell the government it is high time it recognized the fact that its administration has been so inadequate that it has created a level of unemployment that should not be tolerated in a country with the human and natural resources of Canada. If people need to be retrained in order to find employment, that is one thing; but in shifting the cost of this training to another department, the bill proves it is merely cosmetic and does not in any way signal true restraint on the part of the government.

One of the real failures of Bill C-19 has been its accent on increased productivity. If we had offered Canadians incentives to send their goods to international markets there would be some significance to this whole package. Giving incentives to increase the gross national product would have been of real merit and would have assisted Canadian competition in international markets.

I suggest it is important to look at the record of the government since it took office in 1968. Although the government speaks of restraint, as well it should, the fact of the matter is that Bill C-19 is not a restraint bill. The horrendous record of the government should be laid very clearly before all Canadians. Government expenditure has increased 400 per cent since 1968, a record that every Canadian should be ashamed of for permitting it to happen. Government expenditure in 1968 was \$9 billion, and this expenditure has increased in 1976 to in excess of \$40 billion. In 1950 governments at the two higher levels claimed 20 per cent of the gross national product. Today governments claim 42 per cent of the gross national product.

The government has brought in a bill to do away with the Company of Young Canadians, to freeze baby bonus payments, and to do a number of other things. By the time you go through the list, Mr. Speaker, it is not hard to recognize that the government is attempting to demonstrate that it is cutting back a few million dollars. To the average Canadian it sounds big, but the truth is that government expenditure has increased from 20 per cent of the gross national product to 42 per cent in two decades and a half. If there is to be real restraint the government had better quit talking in terms of millions of dollars and talk in terms of billions of dollars, in view of the growth in expenditure on the part of this government.

Moreover, the government has utterly failed to inject any sense of accountability into its spending program, which simply makes it a shambles. When you look at the way government has expanded on the one hand, and when you realize on the other hand that the government has failed in

## Restraint of Government Expenditures

terms of its accountability, the situation is such that all Canadians ought to demand accountability from the government.

In this regard I should like to quote an extract from the Auditor General's report which was tabled yesterday. He says:

Most disturbing of all: at the central level only a relatively minor organizational change has been made and the additional resources and man years commensurate with the needs have not yet been allocated to ensure the restoration as soon as possible of adequate financial management and prudent and effective control of public funds throughout government.

The report of the Auditor General goes on to say:

I firmly believe that public funds are, in effect, trust funds and must be treated accordingly. Financial controls and safeguards in the public sector should be at least as reliable and strong as those in the private sector.

So we have proof from the Auditor General that the government simply has not got a grip on the handle of government spending. Its spending has increased at a rate unparalleled in any other period of Canadian history. Government expenditure under this administration has increased by 400 per cent. The percentage of the gross national product taken by the upper two levels of government has doubled within the last two and a half decades.

We should ask then, what might have been done to ensure restraint. One small example has been given this evening. One measure of restraint that would have been very symbolic for the Canadian people would have been for the Minister of Transport (Mr. Lang), that great advocate of user-pay, to have used Air Canada or CP Air, rather than the Jetstar which ran up a bill of \$240,000 for his own personal visits to his constituency.

An hon. Member: It was \$740,000.

Mr. Malone: I stand corrected; the figure is even higher, \$740,000. Surely that is a disgrace. The motto of the minister is: I use and you pay. That is what he is really telling Canadian people.

Just as shameful is the Minister of Agriculture (Mr. Whelan), the second most travelled minister in the Trudeau cabinet. In Calgary a few nights ago, at a press conference, he had the audacity to undermine another facet of Canadian productivity when he stated that eating beef makes people ferocious. I should like to give some background to that statement of the minister.

Many people in this country do not recognize that the meat industry in Canada is the country's third largest manufacturing industry; the first is automobiles, and the second small appliances. It comes down to the fact that beef producers in Canada are entering the fourth year of production with a return of less than the cost of production. At the same time we must recognize there is a surplus in domestic production in Canada. We must also realize that at this time we have a high importation of meat from offshore, from Australia and New Zealand, to the extent that Canada is now the fourth largest importer of beef in the world, and the largest importer on a per capita basis.